



COMMUNITY DEVELOPMENT COMMISSION
County of Los Angeles

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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

November 30, 2004

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE A COMMUNITY DEVELOPMENT BLOCK GRANT REIMBURSABLE
CONTRACT AMENDMENT WITH THE WATTS CINEMA AND EDUCATION
CENTER, INC. (2)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve Community Development Block Grant (CDBG) Reimbursable Contract Amendment No. 1 with Watts Cinema and Education Center, Inc., presented in substantially final form, for operating expenses of the Wattstar Theatre and Training Center project, using \$10,000 in CDBG funds allocated to the Second Supervisorial District, to be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2005.
2. Instruct the Executive Director of the Community Development Commission, acting as agent for the County of Los Angeles, to execute four copies of the attached standard CDBG Reimbursable Contract and all necessary amendments thereto.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

On May 25, 2004, your Board approved the 2004-2005 One-Year Action Plan for the Thirtieth Program Year (July 1, 2004 through June 30, 2005) to receive CDBG funds from the U.S. Department of Housing and Urban Development (HUD) for the purposes of meeting the County's housing and community development needs. The proposed CDBG Reimbursable Contract Amendment is consistent with the purposes set forth in the Action Plan.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The proposed CDBG Reimbursable Contract will be funded with a total of \$10,000 in CDBG funds allocated to the Second Supervisorial District.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On July 30, 1996, your Board approved the award of a contract to the Watts Cinema and Entertainment Center, Inc., now called the Watts Cinema and Education Center, Inc., to assist with development of the Markham Theater at Markham Middle School. The contract provided \$50,000 in CDBG funds allocated to the Second Supervisorial District for the purchase of 720 theater seats. Following execution of the contract, extended delays on the start of construction occurred due to protracted negotiations between the CRA, which was to provide \$1.7 million in development funds, and the Los Angeles Unified School District (LAUSD), which was to provide a 20-year lease for the project. Following a one-year administrative extension, the CDBG contract expired, and the funds were returned to the Second Supervisorial District's contingency.

On April 6, 1999, your Board approved the award of a second contract to the Watts Cinema and Education Center, Inc., to provide \$50,000 in CDBG funds allocated to the Second Supervisorial District for the purchase of 720 theater seats for the Markham Theater. However, the LAUSD withdrew from the project and the seats were never purchased. This contract expired on June 30, 2002.

After the withdrawal by the LAUSD, the scope of the project was changed to build the Wattstar Theatre and Training Center, an entirely new theater. On June 5, 2001, your Board approved the award of a contract to the Watts Cinema and Education Center, Inc., to provide \$50,000 in CDBG funds allocated to the Second Supervisorial to provide a portion of the funding for engineering services to the project. This contract fully spent its budget and expired on June 30, 2003.

On April 6, 2004, your Board approved the award of a contract to the Watts Cinema and Education Center, Inc., to provide \$30,000 in CDBG funds allocated to the Second Supervisorial District for a portion of the architectural and engineering services needed

to complete and finalize design construction drawings, through December 31, 2004. This contract is being administratively extended through June 30, 2005.

The Watts Cinema and Education Center, Inc. provides educational and after school programs to approximately 7,000 students per year, between the ages of five and 18, in the Los Angeles Unified, Compton Unified, and Lynwood Unified School Districts. The agency is developing the Wattstar Theatre and Training Center as a motion picture theatre and educational training complex for the residents of the unincorporated Watts/Willowbrook community.

The Wattstar Theatre and Training Center will feature two 300-seat motion picture auditoriums and a communications center that will provide teleconferencing, distance learning, and classrooms and training facilities to benefit local schools and residents of five housing developments located within three miles of the center. Additional CDBG funds for a portion of the architectural and engineering services are needed to complete and finalize all design construction drawings that are currently being reviewed by the City of Los Angeles. The project is located at 10341 Graham Avenue, City of Los Angeles.

The attached standard CDBG Reimbursable Contract Amendment is being presented in substantially final form, and will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION:

This project is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations Part 58, Section 58.34 (a)(4) because it involves a public service that will not have a physical impact on or result in any physical changes to the environment. It is also exempt from the provisions of California Environmental Quality Act (CEQA) pursuant to State CEQA Guideline 15061 (b)(3) because CEQA applies only to projects, which have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT:

The project will provide low- and moderate-income residents of the Watts/Willowbrook community with a state-of-the-art theatre and communications center.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

APPROVE A COMMUNITY DEVELOPMENT BLOCK GRANT REIMBURSABLE CONTRACT AMENDMENT WITH THE WATTS CINEMA AND EDUCATION CENTER, INC. (2)

Participation of Minorities and Women

Board of Directors

Total: 7
7 Minorities
4 Women
100% Minority
57% Women

Employees

Total: 6
5 Minorities
4 Women
83% Minority
67% Women

The Commission encourages the participation of minorities and women in the contract award process including: providing information about the Commission at local and national conferences; conducting seminars for minorities and women regarding the Commission's programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations which represent minorities and women. The above information has been voluntarily provided by Watts Cinema and Education Center, Inc.

The recommendation to approve the CDBG Reimbursable Contract Amendment with Watts Cinema and Education Center, Inc. is being made in accordance with federal regulations, and without regard to race, creed, color, gender, religion or sexual orientation.

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT**

AMENDMENT NUMBER 1

Project Title: WATTSTAR THEATRE AND TRANING CENTER II

Project Number: E00275-03

CONTRACT NUMBER: 101423

THIS AMENDMENT TO CONTRACT made this _____ day of _____, **2004** by the County of Los Angeles, hereinafter called the "County," and Watts Cinema and Education Center, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant Program Reimbursable Contract, Contract Number 101423, Community Development Project Number E00275-03, dated April 6, 2004; and

WHEREAS, County and Operating Agency desire to amend said Contract in order that Operating Agency may better implement the project.

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number 101423 be amended as follows:

1. COMPENSATION AND METHOD OF PAYMENT has been amended to show a new total compensation amount of **forty thousand dollars (\$40,000)**. This is an increase of **ten thousand dollars (\$10,000)** to the project amount. An amended Exhibit A, Project Description, is attached hereto and incorporated herein, and substituted in its entirety for the previously attached Exhibit A.
2. BUDGET SECTION is amended to reflect the new compensation amount of forty thousand dollars **(\$40,000)**.
3. Exhibit A has been revised to show the following completion date: June 30, 2005.
4. All other terms and conditions of the Agreement shall remain the same and in full force and effect.

IN WITNESS WHEREOF, the County and the Operating Agency, through their duly authorized officers, have executed this amendment as of the date first above written.

COUNTY OF LOS ANGELES

WATTS CINEMA AND EDUCATION
CENTER

Operating Agency

By: _____
CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____

Title: _____

APPROVED AS TO FORM:

APPROVED AS TO PROGRAM:

Office of the County Counsel

CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Deputy

By: _____
Director, CDBG

Community Development Commission

County of Los Angeles

Project Description and Activity Budget

Contract No. 101423

Version 1

PROJECT	OPERATING AGENCY
Project No.: E00275-03 Title: Wattstar Theatre and Training Center II Funding Period: From 4/6/04 To 6/30/05 Jurisdiction: 2nd District	Organization Name: Watts Cinema and Education Center Type: CBO CDC Program Mgr: Josie Sifuentes

Project Administration

The following individuals and agencies will be implementing this project:

Barbara Stanton, Executive Director
Watts Cinema and Education Center, Inc.
10124 S. Broadway, #110-D
Los Angeles, CA 90003
(323) 757-7506 Fax: (323) 757-7072

E-mail: WATTSTAR@AOL.COM

Eligibility Summary

Funding Source: CDBG
HUD Code: 03 Public Facilities and Improvements
Eligibility Citation: 570.201(c)
National Objective: LMA Low/Mod Area
Nat. Objective Citation: 570.208(a)(1) (i)
Est. Accomplishments: 1 Performance Indicator: People (General)

Activity Summary

This is a continuing project. The Watts Cinema and Education Center (WCEC) is a non profit corporation that is developing a modern motion picture theatre and educational/training complex for the residents of the Watts/Willowbrook community. The Wattstar Theatre and Training Center will include two 300 seat auditoriums each containing a state-of-the-art feature and specialty film exhibition theatre. Plans include classroom and training facilities to educate and train young people in the creative disciplines of video/film production, post production, animation, music editing, web design and business development. The project also includes a communications center that will provide teleconferencing, distance learning, and classroom and training facilities to benefit local schools and residents of five housing developments located within three miles of the Wattstar.

CDBG funds will be used to pay for Architectural and Engineering services and consultant costs, for partial payment of professional services needed to complete and finalize all design construction drawings that are currently in Plan Check.

Special Conditions

The Operating Agency must maintain payroll and time and attendance records signed by the employee and approved by the supervisor. Time distribution records will also be kept by program and shall account for total work time on a daily basis for all employees.

The Operating Agency will comply with procurement standards outlined in, 24 CFR, Part 84, Section 84.44, entitled Procurement Procedures, for the purchase of all goods and contracted services using CDBG or ESG funds.

The Operating Agency is responsible for monitoring the activities of the subrecipient for program implementation and compliance.

The Operating Agency shall maintain during the term of this Contract and for a period of three (3) years thereafter complete and adequate financial records and accounts as are considered necessary by the Commission to assure proper accounting for all program funds and to support all program expenditures. These records and accounts shall include, but not be limited to, the following: a General Ledger that supports the costs charged to the CDBG or ESG Program; records documenting

procurement of goods and services; contracts for goods or services; lease or rental agreements; invoices; billing statements; cancelled checks; timecards signed by employees and supervisors; personnel authorization records; payroll registers; payroll tax records; and bank statements, bank reconciliations and documentation to support the allocation of indirect costs.

The Operating Agency shall execute a professional services agreement with each consultant/contractor prior to incurring any costs or distributing any CDBG or ESG funds, in compliance with federal contractual requirements.

ENGINEERING AND CONSULTING SERVICES, OFF-SITE INFRASTRUCTURE SURVEYS AND DESIGNS - CLEARED; EX(a)(1)&(8). Only the design phase of this activity has received environmental clearance. This phase may include, but is not limited to, the securing of professional engineering, and/or consulting services for site planning; design of site infrastructure, surveys, preparation of grading plans, hydrology plans, traffic reports, and Phase I and II ESA's , etc. Upon completion of this phase, an Environmental Service Request (ESR) must be submitted for further environmental review and must describe the scope and design of this project.

Contracted Services/Subrecipients

Delon Hampton and Associates, Chartered
707 Wilshire Blvd., Suite 5300
Los Angeles, CA 90017

Jenkins / Gates & Martinez, Inc.
5933 West Century Blvd., Suite 1000
Los Angeles, CA 90045

Behr Browers Architects, Inc.
340 North Westlake Blvd., Suite 250
Westlake Village, CA 91362

Funding Summary

Formula Grant Funding		Leverage Sources	
<u>Cost Category</u>	<u>Amount</u>	Source	Amount
Non-Personnel	\$40,000	Other	\$704,995
Total	\$40,000	Other Local	\$1,700,000
		Total	\$2,404,995